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NSC BRIEFING 25 February 1954

## THE SITUATION IN EGYPT

Nagib's removal on 24 February and Nasr's assumption overt authority in Egypt formalizes situation existing several months.

Development not likely bring immediate significant changes in internal or foreign policy.

- I. Probable effect on foreign relations:
  - A. Anglo-Egyptian negotiations: Last six months Nasr involved day to day negotiations with British on Suez question.
    - Considers has conceded more than other Egyptian governments.
    - 2. Doubtful additional compromise without new British move.
    - 3. Such action unlikely due developments in Egypt.
    - 4. Stalemate likely to continue.
- 5. Nasr's consolidation power may permit Approved For Release 2000/05/30: CIA-RDP80R01443R000200160003-1 more latitude toward settlement.

## Approved For Release 2000/05/30: SAGD TR01443R000200160003-1 B. Egyptian-Soviet relations: Despite indications willingness deal with USSR, Nasr suspicious closer relations. Standard commercial relations likely

- C. Relations with US: Nasr will continue seek US support in negotiations with UK and press for large-scale US
- II. <u>Probable effect on internal affairs</u>. Nasr expected maintain internal order avoid recourse guerrilla warfare against British

military and economic aid.

in Suez area.

- A. Without Nagib's personality as front, regime now appears stark military dictatorship. Early return to constitutional rule unlikely.
- B. Loss of Nagib deprives regime considerable popular support necessitating greater reliance police measures.

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- C. Lacking counterbalance, Nasr likely become more arbitrary in internal and external relations.
- D. More friction within ruling army clique may appear.